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Financing of the United Nations Observer Mission in Georgia

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Report of the Advisory Committee on Administrative and Budgetary Questions

Addendum

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financial performance of the United Nations Observer Mission in Georgia (UNOMIG) for the period from 1 July 1998 to 30 June 1999 (A/54/721).

2. The Advisory Committee has also considered the proposed budget for the maintenance of UNOMIG for the period from 1 July 2000 to 30 June 2001 (A/54/735). During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information.

Financial performance report for the period from 1 July 1998 to 30 June 1999

3. By its resolution 52/242 of 26 June 1998, the General Assembly appropriated an amount of $19,439,280 gross ($18,452,580 net) for UNOMIG for the period from 1 July 1998 to 30 June 1999, inclusive of $989,880 for the support account for peacekeeping operations. In addition, by its letter dated 11 December 1998, the Advisory Committee concurred with the request for commitment authority in an amount not exceeding $1,534,400 gross ($1,426,600 net) for 17 internationally recruited civilian staff, 37 local staff and related logistical requirements to improve the safety and security of UNOMIG personnel and the installations of the Mission.

4. Expenditures for the period amounted to $20,516,000 gross ($19,525,900 net), inclusive of $2,298,900 in unliquidated obligations; this represents an overrun of $1,076,720 gross ($1,073,320 net) or 5.5 per cent of the amount appropriated. Details are presented in tabular form in annex I to the performance report (A/54/721). The overrun resulted mainly from increased requirements for civilian personnel and operational requirements, provision for the United Nations Logistics Base at Brindisi and an increase in staff assessment, which were partially offset by savings in military personnel.

5. The Advisory Committee notes that political instability and concerns regarding the security of Mission personnel led to considerable additional expenditure and commitment of funds. For example, an amount of $1.1 million was spent for security measures, including the purchase of 10 additional ballistic-protective vehicles. As indicated in annex II,

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paragraph 4, of the performance report (A/54/721), this amount was absorbed within the approved budget of UNOMIG for the period from 1 July 1998 to 30 June 1999. The Advisory Committee has concurred with the request for authority to enter into commitments in an amount not exceeding $1,534,400 gross ($1,426,600 net) for an increase in personnel and related logistical requirements to improve the safety and security of UNOMIG personnel and the installations of the Mission (see para. 3 above).

6. The Advisory Committee notes from the additional information it has received that in a number of cases planning could have avoided over-expenditure for unbudgeted items. For example, a total of $79,000 was spent in establishing an archival unit for the Mission, an amount of $43,200 was spent in replacing old photocopiers, fax machines and safes, and an amount of $14,200 was spent on a maintenance licence for the ProGen payroll system for 1997/98 and 1998/99. **The amounts involved are not excessive and the Advisory Committee does not question the need for the activities concerned. However, better forecast of needs should be made during the budget preparation process.**

7. As regards reimbursement for contingent-owned equipment, the Advisory Committee was informed that, as at 31 December 1999, the estimated amount owed was $362,753 and unliquidated obligations for contingent-owned equipment amounted to $81,100. For death and disability compensation, two claims paid amounted to $102,000 and unliquidated claims for three pending claims amounted to $139,700.

8. The Advisory Committee was informed that, as at 31 December 1999, the cash position amounted to $7.6 million and that a loan from the United Nations Mission in Haiti (UNMIH) of $2.0 million had been paid in January 2000. Assessments amounted to $98.7 million, payments received totalled $89.9 million and amounts outstanding stood at $8.8 million. Total unliquidated obligations for the period from 1 July 1998 to 30 June 1999 were $1.5 million as at 31 December 1999.

9. As indicated in paragraph 16 of the performance report (A/54/721), UNOMIG sought surplus assets from the United Nations Logistics Base at Brindisi and other peacekeeping missions valued at $1.8 million. Upon enquiry, the Committee was provided with a list of assets, which is contained in the annex to the present report.

10. The Committee notes that, in the report of the Secretary-General to the Security Council (S/2000/39) on the situation in Abkhazia, Georgia, dated 19 January 2000, reference is made to a considerable number of organizations, including non-governmental organizations, that are involved in a number of activities, including the delivery of humanitarian programmes. Upon enquiry as to the modalities for coordination in security matters, the Committee was informed that in the UNOMIG area of operations, the Special Representative of the Secretary-General was in charge of security matters and the Chief Military Observer had been delegated the authority to supervise and oversee all aspects of security in the Mission area. However, when other United Nations agencies and entities were functioning in the UNOMIG area of operations in the context of mandated activities, the higher and stricter standards of security observed by UNOMIG were not always followed. **The Advisory Committee is of the opinion that the actions taken by the Special Representative of the Secretary-General and the Chief Military Observer to strengthen personnel security for UNOMIG should be analysed to determine whether there are practices that could be employed in missions with similar security problems.**

11. Paragraph 20 of the performance report (A/54/721) contains an outline of the actions to be taken by the General Assembly at its fifty-fourth session in connection with the financing of UNOMIG. **The Advisory Committee recommends that the amount of $290,200 gross ($485,200 net) for the maintenance of UNOMIG for the period from 1 July 1997 to 30 June 1998 be assessed. The Advisory Committee also recommends the appropriation and assessment of the additional amount of $1,076,720 gross ($1,073,320 net) from the amount of $1,534,400 gross ($1,426,600 net) which the Committee had authorized under the provisions of section IV of General Assembly resolution 49/233 A of 23 December 1994 for the period from 1 July 1998 to 30 June 1999.**

Cost estimates for the period from 1 July 2000 to 30 June 2001

12. As indicated in paragraphs 1 and 2 and table 1 of the report of the Secretary-General on the proposed budget for UNOMIG (A/54/735), the cost estimates proposed for the maintenance of the Mission for the period from 1 July 2000 to 30 June 2001 amount to $28,399,800 gross ($26,891,100 net), representing a 2.6 per cent decrease ($756,600) in relation to the apportionment of $29,156,400 (gross) in total resources for the current period from 1 July 1999 to 30 June 2000. The Committee notes from table 1 of the budget report that the decreases were under military personnel and operational costs, offset by increases in civilian personnel, other programmes and staff assessments.

13. With regard to staff resources, the Advisory Committee notes from paragraph 16 of the budget report (A/54/735) that the increase of nine local posts consists of the conversion of nine local-level personnel from individual contractor status to nine local-level staff posts, in view of the fact that they perform functions of an ongoing nature. Upon enquiry, the Committee was informed that the cost of nine local-level personnel on an individual contractual basis is estimated at $68,300, while the cost of conversion to local posts would be approximately $99,000, a difference of $30,700. **In the opinion of the Advisory Committee, the proposed conversion makes the total number of posts required for continuing functions more transparent.**

14. The Advisory Committee notes from paragraph 17 of the budget report (A/54/735) that no conversions from General Service to locally recruited staff were currently possible. **In this connection, the Advisory Committee recalls and reiterates its recommendation in its earlier reports on the financing of the United Nations peacekeeping operations (A/52/860, para. 38, and A/53/895, para. 24) that efforts should be made to identify which administrative tasks can be performed by local staff, with the realization of attendant savings.**

15. As indicated in paragraph 7 of annex I.C to the budget report (A/54/735), provision for salaries, common staff costs and mission subsistence allowance for the period from 1 July 2000 to 30 June 2001 takes into account a 10 per cent vacancy factor for international staff and a 5 per cent vacancy factor for local staff. The Advisory Committee notes from annex II to the performance report (A/54/721) that, for the period from 1 July 1998 to 30 June 1999, the average monthly vacancy rate was 10 per cent for international staff and 3 per cent for local staff. The Committee was informed that, as of 31 December 1999, the average monthly vacancy rate was 34 per cent for military observers, 19 per cent for international staff and 6 per cent for local staff. **Under the circumstances, it appears that the rates used in providing for salaries, common staff costs and mission subsistence allowance for the period from 1 July 2000 to 30 June 2001 are not fully in line with the most recent experience. The Advisory Committee requests that this be monitored and will revert to the matter in the context of the next performance report.**

16. In connection with public information programmes, the Advisory Committee notes that this function has not been performed for the last two years. Upon enquiry, the Committee was informed that the absence of this activity was attributable to lack of qualified personnel. **In this connection, the Advisory Committee encourages the Secretariat to intensify its efforts in identifying qualified personnel for the public information programme in UNOMIG.**

17. Provision for training for the period from 1 July 2000 to 30 June 2001 amounted to $53,000, representing an increase of $10,000 over the amount of $43,000 for the previous period (A/54/735, annex I.C, para. 19). Upon enquiry, the Advisory Committee was informed that the increase reflected new priorities.

18. **With regard to the actions to be taken by the General Assembly at its fifty-fourth session, the Advisory Committee agrees with the proposal of the Secretary-General as indicated in paragraph 3 of his report (A/54/735) and recommends the appropriation of the amount of $28,399,800 gross ($26,891,100 net) for the maintenance of the Mission for the 12-month period from 1 July 2000 to 30 June 2001 and the assessment of that amount at a monthly rate of $2,366,650 gross ($2,240,925 net) should the Security Council decide to continue the mandate of the Mission beyond 31 July 2000.**

Annex

Transfer of assets to UNOMIG from other missions and the United Nations Logistics Base at Brindisi during the period from 1 July 1998 to 30 June 1999

Description of equipment	*Quantity*	*Total value (United States dollars)*
UNTAES		
Water tanks	7	26 556.08
Fuel tank	1	9 470.16
Fuel tank, 7500 litre	2	4 455.00
Ablution container	5	48 428.00
Mixed items (polymeric de-icing fluid, antifreeze)	1 Lot	14 137.71
Mixed items (fuel jet heater, mine detector)	1 Lot	28 251.37
Mixed items (fire alarm control panel, fire extinguishers, smoke detectors)	1 Lot	33 683.95
Toyota Cressida	2	21 001.52
Toyota spare parts		18 309.76
Renault ambulance	4	161 200.00
Renault ambulance spare parts		15 051.34
Refrigerators/freezers containers	8	148 480.00
Container, sea, 20-foot	2	3 060.00
UNMOGIP		
Inmarsat M Terminal	3	15 000.00
UNPSG		
GMC Suburban armed vehicle plus spare parts	1	151 678.20
UNLB		
Television, 29-inch	6	10 720.00
Mine detectors	12	40 134.55
Ice maker machine	1	1 600.00
Telephone exchange boards	1 Lot	2 000.00
Decals	1 Lot	2 200.00
Mixed, decals letters	721	8 199.00
Mixed, decals letters	2 389	13 727.00
Motorola VHF GM300	50	25 241.00
Transceiver VHF mobile		
Sea container, 20-foot	5	6 550.00
Water pump/diesel engine	6	78 906.00
Water pump/cylinder, 350 gal/min	6	77 755.00
Pressure suction hose	5	4 749.26
Trailer fuel, 20,000 litre tanker	2	62 574.00

Description of equipment	*Quantity*	*Total value (United States dollars)*
Forklift, hyster	1	232 328.31
Truck fuel, Volvo	2	153 800.00
Crane	1	119 643.00
Truck cargo, heavy, Renault	1	78 874.00
Trailer drawbar, platform	1	18 800.00
Flatrack	1	4 500.00
Modem Protection Switch Satellite and Multiplexer Satellite	1	209 500.00
Public address system speaker JLB	2	620.00
Transceiver VHF air band, base station	3	16 000.00
Battery cabinet F/10KVA, uninterruptible power supply	2	2 000.00
Total		**1 869 184.21**